

CHESTERFIELD COUNTY

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CHESTERFIELD COUNTY'S ENTERPRISE ZONE PROGRAM MACHINERY AND TOOLS TAX INCENTIVE

Chesterfield County's Enterprise Zone Program is administered by Economic Development at (804)748-3963 and offers various incentives to businesses locating within an Enterprise Zone in Chesterfield County. The following addresses the part of the program¹ that provides for the rebate of paid taxes on "qualifying" machinery and tools used or available for use by businesses within one of these zones.

To qualify for this program, businesses must be located in an Enterprise Zone and must have received an approval on the Local Incentive Application from Economic Development.

Rebates apply to "qualifying" machinery and tools, which are machinery and tools which were (1) newly purchased, (2) newly leased² or (3) transferred from outside of Chesterfield County into an Enterprise Zone after the date on which it was established.

The rebate amount shall be the amount of machinery and tools taxes paid on all qualifying machinery and tools; however, if the business replaces qualifying machinery and tools that were previously assessed, the rebate shall not exceed an amount equal to the increase in tax assessed on the replacement qualifying machinery and tools.

The rebate period shall begin on November 11, 1997 or the date on which the qualifying machinery and tools are delivered to the business, whichever is later, and the first rebate shall be issued after January 1st of the year following the start of the rebate period.

The rebate period shall last for five, consecutive tax years, for as long as the qualifying property is owned or leased or for so long as the business occupies the building, whichever period is shorter, and shall apply to each item/piece of qualifying machinery and tools.

To receive a rebate, businesses must pay the taxes assessed on the qualifying machinery and tools and then submit a written request to this office asking that these taxes be rebated, and must include in the aforementioned written request, if applicable, sufficient information to identify each item/piece of qualifying replacement machinery and tools, each corresponding item/piece of qualifying machinery and tools that were replaced and a statement which attests to the fact that the replacement qualifying machinery and tools do the same or similar function(s) as the qualifying machinery and tools that were replaced.

¹Certain businesses in an Enterprise Zone can qualify for Business License Tax and Fee Relief. To inquire about this local incentive, you may call our Business License Section at 748-1383.

²In the case of a true lease, for which the lessee has reimbursed the lessor for machinery and tools taxes billed to said lessor, the lessee may be sent the rebate directly if proof is provided by the lessee that (1) the taxes have, in fact, been paid to the county, and (2) the lessor was reimbursed by the lessee.